

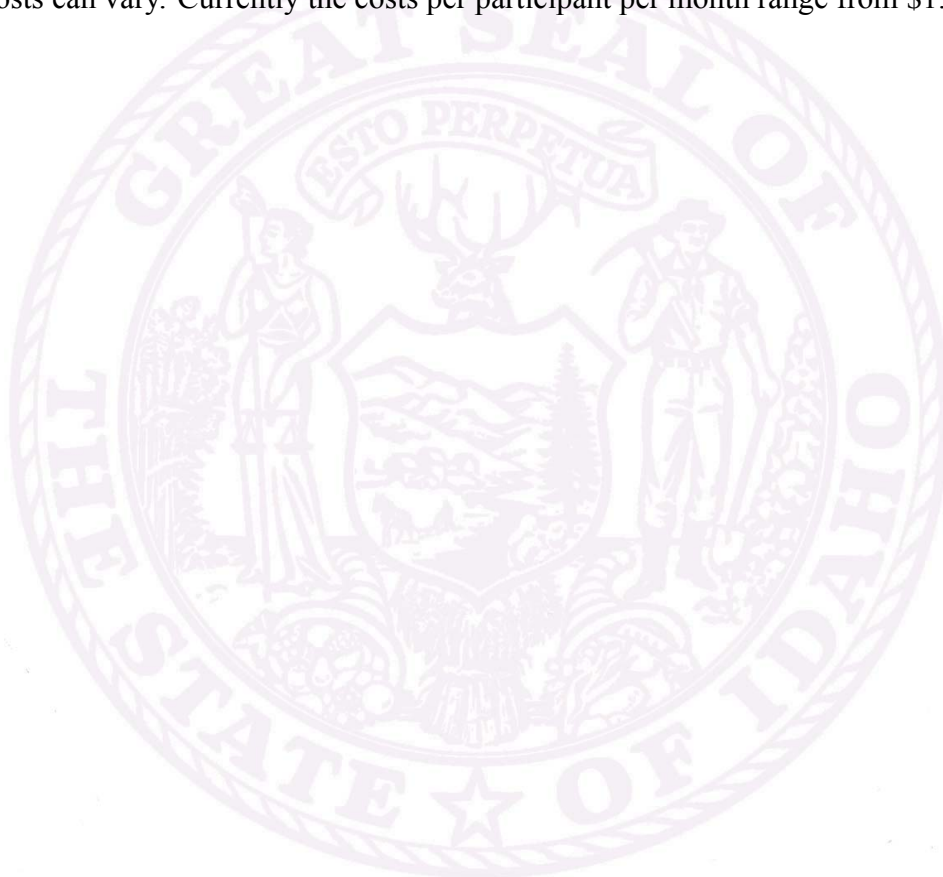
STATEMENT OF PURPOSE

RS22546

An HRA-VEBA provides the employer an opportunity to reduce premium cost while providing the employee an opportunity to grow funds for un-reimbursed health care costs. The funds are deposited into an employee managed trust. The funds are tax free going in and going out. This strategy, while reducing employer cost, provides the employee the opportunity to build a substantial fund for health care costs upon retirement.

FISCAL NOTE

Should the State institute this program, there is potential for substantial long term savings due to lower premiums and better health care management. Start up cost would be less than \$5000. Ongoing costs can vary. Currently the costs per participant per month range from \$1.50 to \$7.50.



Contact:

Senator John W. Goedde
(208) 332-1321